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FM AMEMBASSY DUSHANBE
TO RUEHC/SECSTATE WASHDC PRIORITY 6958
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C O N F I D E N T I A L SECTION 01 OF 02 DUSHANBE 000489

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E.O. 12958: DECL: 3/14/2016
TAGS: [PGOV](#) [PREL](#) [ENRG](#) [ECON](#) [RS](#) [CH](#) [KZ](#) [TI](#)
SUBJECT: KAZAKHSTAN LOOKING, BUT NOT JUMPING INTO TAJIK ENERGY
SECTOR

REF: DUSHANBE 326

CLASSIFIED BY: RICHARD HOAGLAND, AMBASSADOR, DUSHANBE,
TAJIKISTAN, DEPARTMENT OF STATE.
REASON: 1.4 (b), (d)

11. (C) Kazakhstan is not yet serious about the Tajik energy sector. Deputy Energy Minister Akhram Suleimanov told PolOff that despite a press release quoting the Kazakhstani Ambassador to Tajikistan saying Kazakhstan might invest in Sangtuda I, "Sangtuda is for the Russians only." Suleimanov observed that Kazakhstan has shown some interest in Rogun, but added that RusAl was now talking about financing at least four of the six turbines, instead of two. When PolOff reminded him that in late January he indicated RusAl might not be able to carry the project alone, he dismissed his previous comment. "RusAl is serious (reftel). They'll do it."

12. (C) The AES transmission line project remains on track (septel), and Suleimanov noted the Memorandum of Understanding should be signed by the end of March. The 220 kV lines from Geran to the Tajik-Afghan border would be the first step, but high voltage lines, not necessarily along the same path, represented a crucial phase to export Tajik electricity southwards. The Chinese are still negotiating to construct a \$146 million "South-North" transmission line, a project that would complement a Chinese proposal to rehabilitate a road, build a tunnel and establish a fiber optic network along the same stretch.

13. (C) Suleimanov said he would be part of a Tajik delegation to Islamabad in April to discuss energy issues and possibly sign a long-awaited memorandum among Pakistan, Afghanistan and Tajikistan. He indicated that Tajikistan had "no end" of

hydropower projects to present at the June U.S. Trade and Development Agency meeting in Istanbul on Central Asian energy.

14. (C) COMMENT: Suleimanov offered no new developments in the energy world, but confirmed the current trends and rumors. Suleimanov is much more accessible and forthcoming than his curmudgeonly colleague, Deputy Energy Minister Silantieva, who only half-jokingly comments on the U.S. inability to bring real investment in hydropower. Energy Minister Nurmamatov tasked Suleimanov in October 2005 with overseeing the Trade and Development Agency-funded feasibility study of the Varzob Cascade, and Suleimanov has proven engaged and more understanding of U.S. and western investment practices. END COMMENT.

15. (U) The press release on Kazakh energy:

Kazakh Ambassador to Tajikistan: Issue of Kazakhstan's participation in Sangtuda-1 construction is not closed yet
Dushanbe, 7 March- Avesta/ N. Pirnazarov/- The issue of participation of Kazakhstan in the construction of Sangtuda-1 hydropower plant is not closed yet, Kazakh ambassador to Tajikistan Erlan Abildaev told Monday in Dushanbe. "Kazakhstan has prospects and is interested in the project," he said. He said that Kazakh Investment Fund now shows the interest in Tajikistan's energy sector, namely the fund is interested in cascade of hydropower plants at Zeravshan river. "This process will demand time and we will have to study everything, including feasibility study," Abildaev commented. Kazakhstan is also interested in the construction of a power line from Tajikistan to Kazakhstan, he said. "When both Rogun and two Sangtuda hydropower plants are commissioned, Tajikistan will be able to produce a big amount of energy and Kazakhstan is ready to import such a cheap energy," he stressed. May be these issues will be

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settled during the Tajik President Emomali Rahmonov's visit to Kazakhstan, he said.
HOAGLAND